



For Immediate Release

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Pritzker Administration Moves to Increase Earned Income Credit Participation

New Initiative Targets Over 22,000 Illinoisans who Automatically Qualify for EIC Funds; Eligible Taxpayers Will Receive Letter With Instructions

This week, the Pritzker administration and the Illinois Department of Revenue (IDOR) commenced a new outreach initiative to increase Earned Income Credit (EIC) participation by targeting taxpayers who qualified but failed to claim the credit. The EIC, along with the federal Earned Income Tax Credit (EITC), are tools designed to put thousands of dollars back in the pockets of working households. IDOR has identified more than 22,000 Illinois taxpayers who successfully claimed the federal EITC but failed to take the Illinois EIC even though they automatically qualified. Targeted taxpayers will receive a letter confirming their eligibility, estimating a refund amount and instructing them how to finalize their claim.

“By rewarding work and supplementing household income, earned income tax credit programs have lifted millions of families and children out of poverty across the country,” said David Harris, IDOR Director. “Today’s action continues this administration’s efforts to ensure all Illinois working families are receiving the support they have earned and this department’s efforts to connect taxpayers to the maximum refunds they are due.”

Most households are eligible for the federal EITC if they earn less than \$55,952. The Illinois EIC is a refundable tax credit automatically available to federally eligible households and is worth up to 18 percent of a taxpayer’s federal claim. In 2020, an eligible Illinois household could be due a refund of up to \$1,157. By failing to file for this powerful credit, these targeted households are leaving more than an estimated \$10 million dollars unclaimed.

While IDOR is targeting identified qualified households, the department encourages all residents who think they may be eligible but did not receive a letter to take action. The IRS estimates nationwide that only four out of five eligible households claim the federal credit which means tens of thousands more Illinoisans are missing out on this powerful tool. Eligible taxpayers must meet certain income and residency qualifications and file a tax return, even if they do not owe any tax or are not required to file. The Internal Revenue Service recommends that all workers who earned around \$55,952 or less learn about EITC eligibility and use the EITC Assistant to find out if they qualify.

Federally, eligible families with three or more qualifying children could get a maximum credit of up to \$6,557. EITC for people without children could mean up to \$529 added to their tax refund.

For more information on the Illinois Earned Income Credit, please visit IDOR’s website at: tax.illinois.gov.